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Letter dated 16 July 2007 from the Permanent Representative of Iraq to the United Nations addressed to the President of the Security Council

Upon instructions from my Government, I have the honour to transmit herewith a letter from H.E. Nouri al-Maliki, Prime Minister of the Republic of Iraq addressed to the President of the Security Council dated 24 June 2007, in which the Government of Iraq expressed its views on the compensation imposed on Iraq after the invasion of Kuwait by the former Iraqi regime. I have further the honour to request that the letter be circulated to the members of the Security Council and distributed as a document of the Security Council (see annex).

(*Signed*) T. Hamid **al-Bayati**
Ambassador Extraordinary and Plenipotentiary
Permanent Representative

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Annex to the letter dated 16 July 2007 from the Permanent Representative of Iraq to the United Nations addressed to the President of the Security Council

[Original: Arabic]

It is well known that the idea that Iraq should pay compensation was introduced as a result of the reckless and unjustified actions of the previous dictatorial regime. The Iraqi people, naturally, have borne the consequences, even though they had no part in those actions. As a result, they have suffered for many years, and continue to suffer, paying dearly with their many hopes and aspirations and with the sustenance and health of their children. This has happened despite the fact that the relevant Security Council resolutions all stressed that the basic needs of the Iraqi people should not be encroached upon. However, it has become apparent that the contrary is true; the basic needs of the Iraqi people have been encroached upon and they, not the regime, have been victimized by the obligation to pay compensation all these years.

The philosophy and the policy of the new Iraqi Government are founded on peaceful coexistence, good neighbourliness, respect for mutual interests, non-interference in internal affairs, resolution of international disputes by peaceful means and respect for basic human rights and needs. One of the fruits of this policy, which the new Iraqi Government has announced and followed consistently ever since, has been the initiative by many States, including the States members of the Paris Club, to reduce Iraq's debts by 80 per cent. In so doing, they demonstrated their understanding of the extent of the destruction that befell Iraq as a result of the aforementioned policies of the previous regime. This is why my Government, in its contacts and consultations with various States, strives to have those debts reduced or cancelled, including any compensation which Iraq is obligated to pay and for which the people of Iraq are not responsible. In view of the previous generosity of the Iraqi people at a time when Iraq was prospering, it would be fitting for them to see that the countries of the world are now extending them a helping hand. I should like to recall, for example, that Iraq was one of the first countries to extend aid to the European countries after the Second World War as part of the Marshall Plan, and that it would be capable of doing the same should its situation improve in the future.

The Government of the Republic of Iraq, recalling the Security Council resolutions stipulating that 5 per cent of the proceeds derived from sale of petroleum, petroleum products or natural gas should be deposited into the Compensation Fund; noting that the payments made to the Fund have increased as a result of the increase in the price of oil and in Iraq's production capacity; and stressing, as provided in paragraph 21 of Security Council resolution 1483 (2003), that, unless an internationally recognized, representative government of Iraq and the Governing Council of the United Nations Compensation Commission, in the exercise of its authority over methods of ensuring that payments are made into the Compensation Fund, decide otherwise, this requirement shall be binding on a properly constituted, internationally recognized, representative government of Iraq and any successor thereto, therefore proposes that Iraq and the Commission should arrive at an understanding on the establishment of a new and just compensation mechanism, particularly since Iraq has already paid a considerable amount as compensation for the Kuwait war, totalling $22,081,193,340 as of the end of April 2007, and continues to pay such compensation. The time has come for the

Governing Council to make an objective presentation to the Security Council on the need to temporarily suspend the obligation to make payments at the aforementioned rate, in order that a new mechanism for negotiating with the relevant States still owed compensation by the Fund can be established and a settlement reached in the matter, along the lines of the debt reductions granted them in accordance with the principles of the Paris Club. The continued payment by Iraq, at this critical juncture, of $200 to $250 million every quarter to the Fund is a burden that it cannot bear in view of its numerous basic needs as well as its reconstruction efforts.

The Government of the Republic of Iraq, in putting this matter before the Security Council, appeals to the Council to take the necessary steps, in coordination with the Commission, to ensure the temporary suspension of the obligation to make payments, or to reduce those payments to an amount that Iraq can bear, and further requests that the matter be discussed either at an international conference bringing together Iraq and the relevant States, or on a bilateral basis between Iraq and each relevant State.

Accept, Sir, the assurances of my highest consideration.

(*Signed*) Nuri Kamel **al-Maliki**
Prime Minister

24 June 2007